

Ryan L. McBride, Esq. (SBN 297557)
ryan@kazlg.com

Aryanna Young, Esq (SBN 344361)
aryanna@kazlg.com

Kazerouni Law Group, APC
2221 Camino Del Rio S, Suite 101
San Diego, CA 92108
Telephone: (800) 400-6808
Facsimile: (800) 520-5523

Attorneys for Plaintiff
Sharon Rios

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA**

SHARON RIOS

Plaintiff,

v.

**MANDARICH LAW GROUP, LLP
and CAVALRY SPV I, LLC,**

Defendant.

Case No.

**COMPLAINT FOR DAMAGES FOR
VIOLATIONS OF THE FAIR DEBT
COLLECTION PRACTICES ACT**

JURY TRIAL DEMANDED

INTRODUCTION

1. This case arises as a result of false, deceptive and unfair debt-collection practices promulgated by Mandarin Law Group, LLP (“Mandarich”) and Cavalry SPV I, LLC, (“Cavalry”) (or jointly as “Defendants”) who misrepresented to Plaintiff



1 Sharon Rios (“Plaintiff”) that she was entitled to have her claims decided in
2 arbitration. Specifically, Defendants filed a lawsuit against Plaintiff in Glenn
3 County Superior Court despite Plaintiff’s election of arbitration pursuant to the
4 arbitration clause in the agreement between the parties.

5 2. The United States Congress has found abundant evidence of the use of abusive,
6 deceptive, and unfair debt collection practices by many debt collectors, and has
7 determined that abusive debt collection practices contribute to the number of
8 personal bankruptcies, to marital instability, to the loss of jobs, and to invasions
9 of individual privacy. Congress wrote the Fair Debt Collection Practices Act, 15
10 U.S.C. § 1692 et seq. (hereinafter “FDCPA”), to eliminate abusive debt collection
11 practices by debt collectors, to insure that those debt collectors who refrain from
12 using abusive debt collection practices are not competitively disadvantaged, and
13 to promote consistent State action to protect consumers against debt collection
14 abuses.

15 3. Plaintiff through Plaintiff’s attorneys, brings this action to challenge the actions
16 of Mandarich and Cavalry, with regard to attempts by Defendants to unlawfully
17 and abusively collect a debt allegedly owed by Plaintiff, and this conduct caused
18 Plaintiff damages.

19 4. Plaintiff makes these allegations on information and belief, with the exception of
20 those allegations that pertain to a plaintiff, or to a plaintiff’s counsel, which
21 Plaintiff alleges on personal knowledge.

22 5. While many violations are described below with specificity, this Complaint
23 alleges violations of the statutes cited in their entirety.

24 6. Unless otherwise stated, all the conduct engaged in by Defendants took place in
25 California.

26 7. Any violations by Defendants were knowing, willful, and intentional, and
27 Defendants did not maintain procedures reasonably adapted to avoid any such
28 violation.



JURISDICTION AND VENUE

8. Jurisdiction of this Court arises pursuant to general state jurisdiction.

9. This action arises out of Defendants' violations of the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692 et seq. ("FDCPA").

10. Plaintiff resides in Glenn County, as defined by 28 U.S.C. § 1391c(1), therefore this is the proper judicial district in which this lawsuit is brought.

11. At the time of the substantial part of the events or omissions giving rise to the claim occurred, Defendants tried to collect the alleged debt owed, by suing Plaintiff in Superior Court despite that the fact that Plaintiff timely exercised her right to have the dispute heard in arbitration pursuant to the agreement with the original creditor.

12. Because Plaintiff resides in the County of Glenn at the time Defendants tried to collect on the alleged debt owed and Plaintiff still resides in County of Glenn, venue is proper pursuant to 28 U.S.C. § 1391b(2).

13. At all times relevant, Defendant conducted business within the State of California.

PARTIES

14. Plaintiff is a natural person and resident of the State of California.

15. Defendant Mandarin is headquartered in Chicago Illinois but actively litigates cases with California licensed attorneys throughout the state of California.

16. Defendant Cavalry is headquartered in Valhalla, New York.

17. Defendants are in the business of the collection of consumer debt.

18. Plaintiff was allegedly obligated to pay a debt, and is a "consumer" as that term is defined by 15 U.S.C. § 1692a(3).

19. At all times relevant to this complaint, Defendants were companies engaged, by use of the mails and telephone, in the business of collecting a debt from Plaintiff which qualifies as a "debt," as defined by 15 U.S.C. § 1692a(5).

20. Defendants regularly attempt to collect debts alleged to be due another, and therefore are “debt collectors” as defined by the FDCPA, 15 U.S.C. §1692a(6).

FACTUAL ALLEGATIONS

21. Plaintiff reincorporates by reference all of the preceding paragraphs.

22. Sometime before April 20, 2023, Plaintiff is alleged to have incurred certain financial obligations to Citibank, N.A. (“Citibank”). The alleged debt stemmed from a Bestbuy Platinum personal credit card.

23. These financial obligations were primarily for personal, family or household purposes and are therefore a “debt” as that term is defined by 15 U.S.C. §1692a(5)..

24. Sometime thereafter, but before April 20, 2023, Plaintiff allegedly defaulted on the payments alleged to be owed on the alleged debt.

25. Sometime on or shortly before April 20, 2023, Cavalry was assigned the debt amounting to \$2,374.04 from Citibank that was allegedly owed by Plaintiff. As the assignee, Cavalry assumed all of the rights and responsibilities of the agreement between Plaintiff and Citibank.

26. Plaintiff’s agreement with the original creditor, Citibank, contained an arbitration clause that states in part the following:

ARBITRATION

PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY. THIS SECTION PROVIDES THAT DISPUTES MAY BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, HAVE A JURY TRIAL OR INITIATE OR PARTICIPATE IN A CLASS ACTION. IN ARBITRATION, DISPUTES ARE RESOLVED BY AN ARBITRATOR, NOT A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN IN COURT. THIS ARBITRATION PROVISION IS GOVERNED BY THE FEDERAL ARBITRATION ACT (FAA), AND SHALL BE INTERPRETED IN THE BROADEST WAY THE LAW WILL ALLOW.

Covered claims

- You or we may arbitrate any claim, dispute or controversy between you and us arising out of or related to your account, a previous related account or our relationship (called “Claims”).
- **If arbitration is chosen by any party, neither you nor we will have the right to litigate that Claim in court or have a jury trial on that Claim.**

(Capitalization and Bold in original)

27. The arbitration section of the terms and conditions goes on to mention that, “You may arbitrate on an individual basis Claims brought against you, including Claims to collect a debt...” and “Arbitration may be requested any time, even where there is a pending lawsuit, unless a trial has begun or a final judgment entered.” Finally it also states, “This arbitration provision shall survive changes in this Agreement and termination of the account or the relationship between you and us, including the bankruptcy of any party and any sale of your account, or amounts owed on your account, to another person or entity.”

28. On or about April 20, 2023, Mandarich sent a letter to Plaintiff on behalf of Cavalry attempting to collect the alleged debt at issue.

29. Plaintiff originally asked for validation of the debt and was subsequently sent documentation and Defendants resumed collection activities on the account.

30. In response to Defendants ’collection attempts, on or about July 25, 2023, at 1:39pm a letter was sent via facsimile to Defendants addressed to Mandarich, stating in part the following:

If you decide to pursue legal action against me, I hereby demand that such legal action be done so in arbitration, pursuant to the cardholder agreement.

31. Shockingly, despite Plaintiff’s clear and explicit election of arbitration, on or about July 31, 2023, Defendants ignored Plaintiff’s request and filed a civil



1 collection action against Plaintiff in Glenn County, California. The case was
2 entitled *CAVALRY SPV I, LLC AS ASSIGNEE OF CITIBANK N.A. v. SHARON*
3 *RIOS*, Glenn County Case # 23CV03202 (“the Collection Case”).

4 32. Defendant’s filing of the Collection Case usurped Plaintiff of her right to have
5 the claim heard in arbitration as agreed to between Plaintiff and Defendant.

6 33. By suing Plaintiff in Glenn County Superior Court, rather than bringing the
7 claims in arbitration, Defendants implemented false and deceptive practices in
8 order to avoid arbitration in violation of 15 U.S.C. §§ 1692e and 1692e(10).

9 34. By suing Plaintiff in Glenn County Superior Court, rather than bringing the
10 claims in arbitration, Defendants made an unfair and unconscionable attempt to
11 collect a debt from Plaintiff in violation of 15 U.S.C. § 1692f.

12 35. By suing Plaintiff in Glenn County Superior Court, rather than bringing the
13 claims in arbitration, Defendants participated in conduct that had the natural
14 consequence of which to harass, oppress, and abuse, Plaintiff and the least
15 sophisticated consumer in violation of 15 U.S.C. § 1692d.

16 36. By suing Plaintiff in Glenn County Superior Court, rather than bringing the
17 claims in arbitration, Defendants are forcing Plaintiff to incur additional
18 unnecessary fees by making Plaintiff pay a filing fee in Glenn County Superior
19 Court and another filing fee in arbitration.

20 **CAUSES OF ACTION**

21 **COUNT I**

22 **FAIR DEBT COLLECTION PRACTICES ACT (FDCPA)**

23 **15 U.S.C. §§ 1692 ET SEQ.**

24 37. Plaintiff repeats, re-alleges, and incorporates by reference, all other paragraphs.

25 38. The foregoing acts and omissions constitute numerous and multiple violations of
26 the FDCPA, including but not limited to each and every one of the above-cited
27 provisions of the FDCPA, 15 U.S.C. § 1692 et seq.
28



1 39. Defendants violated the FDCPA. These violations include, but are not limited to,
2 the following:

- 3 a. Defendant made and used false, deceptive, and misleading representations in
4 an attempt to collect the alleged debt in violation of 15 USC § 1692e and
5 1692e(10);
- 6 b. Defendant took action that cannot legally be taken in violation of 15 USC §
7 1692e(5);
- 8 c. Defendant knowingly filed a lawsuit in disregard of an arbitration election
9 by Plaintiff, which is an unfair and unconscionable means to collect debt, in
10 violation of 15 USC § 1692f;
- 11 d. Defendant knowingly filed a lawsuit in disregard of an arbitration election
12 by Plaintiff, therefore, Defendants are attempting to harass, oppress, and
13 abuse the Plaintiff in violation of 15 USC § 1692d.

14 40. As a result of each and every violation of the FDCPA, Plaintiff is entitled to any
15 actual damages pursuant to 15 U.S.C. § 1692k(a)(1); statutory damages in an
16 amount up to \$1,000.00 pursuant to 15 U.S.C. § 1692k(a)(2)(A); and, reasonable
17 attorney's fees and costs pursuant to 15 U.S.C. § 1692k(a)(3) from each and every
18 defendant, jointly and severally.

19 **PRAYER FOR RELIEF**

20 WHEREFORE, Plaintiff prays that judgment be entered against Defendants, and
21 Plaintiff be awarded damages from Defendants, as follows:

22 **FAIR DEBT COLLECTION PRACTICES ACT**

- 23 • an award of actual damages pursuant to 15 U.S.C. § 1692k(a)(1) in an
24 amount to be adduced at trial, from each Defendant;
- 25 • an award of statutory damages of \$1,000.00, pursuant to 15 U.S.C. §
26 1692k(a)(2)(A), from each Defendant;
- 27 • an award of costs of litigation and reasonable attorney's fees, pursuant to
28 15 U.S.C. § 1692k(a)(3) from each Defendant

41. Pursuant to the seventh amendment to the Constitution of the United States of America, Plaintiff is entitled to, and demands, a trial by jury.

Date: May 8, 2024

KAZEROUNI LAW GROUP, APC

By: /s/ Ryan L McBride, Esq.

Ryan L McBride, Esq.

Aryanna Young, Esq.

ATTORNEY FOR PLAINTIFF